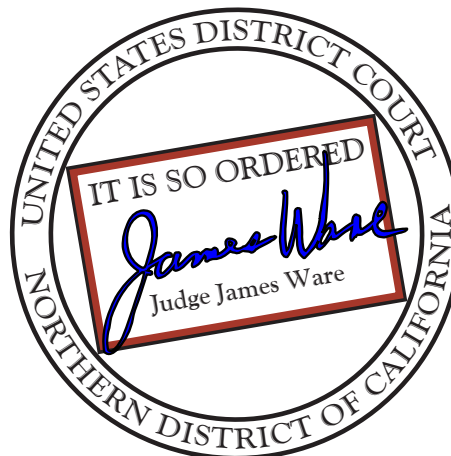


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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

COLUMBIA ENERGY, L.L.C.,

Plaintiff,

vs.

SARGENT & LUNDY, L.L.C. and SECURITY
INSURANCE COMPANY OF HARTFORD,

Defendants.

Case No. CV 04-04436 JW

**POST-MEDIATION JOINT STATUS
REPORT AND REQUEST FOR
CONTINUANCE OF CASE MANAGEMENT
CONFERENCE**

**ORDER VACATING CASE
MANAGEMENT CONFERENCE,
SETTING STATUS CONFERENCE RE:
SETTLEMENT**

Plaintiff Columbia Energy, L.L.C. ("Columbia") and Defendant Sargent & Lundy, L.L.C. ("S&L") submit this Post-Mediation Joint Status Report and Request for Continuance of Case Management Conference:

1. As previously reported to the Court, on December 20, 2005, Calpine Corporation and numerous affiliated companies, including Columbia, filed a Voluntary Petition for protection under the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York.

1 The Calpine Corporation bankruptcy proceeding is still pending in that court at Chapter 11 Case No.
2 05-60200 (BRL) (the "Bankruptcy Proceeding").

3 2. As a result of the Bankruptcy Proceeding and the automatic stay of S&L's claims in
4 this lawsuit, Columbia and S&L were unable to prosecute the claims in this lawsuit since December
5 2005 when the Bankruptcy Proceeding was commenced.

6 3. On April 30, 2007, a Stipulation and Agreed Order between Columbia and S&L was
7 presented to the court in the Bankruptcy Proceeding through which the parties sought to lift the
8 automatic stay so they could undertake mediation and otherwise proceed in this case if the disputes
9 were not resolved through mediation. The Bankruptcy Court lifted the stay of S&L's counterclaim
10 consistent with the parties' request.

11 4. The parties, through a Joint Status Report filed June 14, 2007, advised the Court that
12 they had scheduled a mediation for October 25-26, 2007. By Order dated June 20, 2007, the Court
13 continued the Case Management Conference to November 5, 2007 and ordered the parties to submit a
14 post-mediation joint status report prior to the conference.

15 5. Columbia and S&L mediated their disputes on October 25 and 26, 2007. Through
16 mediation, the parties reached an agreement, in principle, to settle all disputes in this action,
17 conditioned upon (1) approval of the settlement by senior management of Calpine Corporation, the
18 parent company of Columbia, (2) resolution of certain issues concerning S&L's claim for unpaid
19 professional fees, and (3) approval of the settlement by the Bankruptcy Court.
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1 6. In light of the foregoing, the parties jointly move for an Order continuing the Case
2 Management Conference, now scheduled for November 5, 2007, for 60 days, during which time the
3 parties will undertake to finalize a settlement agreement, seek the necessary approvals, and effectuate
4 the settlement.

5
6 KIRKPATRICK & LOCKHART
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7
8 
9 Linda L. Usoz, Esquire

10 and

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and

SEVERSON & WERSON, PC

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Peter C. Lyon, Esquire
David A. Ericksen, Esquire
Attorneys for Sargent & Lundy

6. In light of the foregoing, the parties jointly move for an Order continuing the Case Management Conference, now scheduled for November 5, 2007, for 60 days, during which time the parties will undertake to finalize a settlement agreement, seek the necessary approvals, and effectuate the settlement.

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ORDER

In light of the parties' Joint Status Report, the Court VACATES the case management conference currently set for November 5, 2007. The Court sets a Status Conference Re: Settlement on **January 14, 2008 at 10 AM**. The parties shall file joint Status Report on **January 4, 2008**. This conference will be vacated if a Stipulated Dismissal is filed on or before January 4, 2008.

Dated: November 1, 2007

JAMES WARE
United States District Judge